

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
FILING OF REID VILLAGE WATER)	2016-00208
DISTRICT)	

ORDER

On June 17, 2016, Reid Village Water District (“Reid Village”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Reid Village purchases water from the Mt. Sterling Water and Sewer System (“Mt. Sterling”).
2. Mt. Sterling notified Reid Village that effective July 1, 2016, Mt. Sterling would increase its wholesale water rate to Reid Village from \$2.85 per 1,000 gallons to \$2.96 per 1,000 gallons.² Reid Village proposed to increase the water rates to its customers effective July 1, 2016, to reflect the increased cost of purchased water.
3. Reid Village proposed a purchased water adjustment factor of \$0.14 per 1,000 gallons.
4. During the 12 months ended April 30, 2016, Reid Village purchased 67,380,620 gallons of water from Mt. Sterling and sold 54,450,672 gallons of water

¹ KRS 278.015; 807 KAR 5:068.

² TFS 2016-00322 (Ky. PSC filed May 24, 2016); The tariff was accepted for filing by the Commission by letter dated June 22, 2016.

during the same period. The increase in the cost of purchased water is \$7,411.87, resulting in a purchased water adjustment factor of \$0.14 per 1,000 gallons.

5. The purchased water adjustment factor of \$0.14 per 1,000 gallons, as requested by Reid Village and calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.

6. Reid Village's proposed rates, as set forth in Appendix B to this Order, are fair, just, and reasonable and should be approved for water service rendered by Reid Village on and after July 1, 2016.

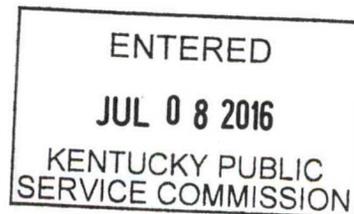
IT IS THEREFORE ORDERED that:

1. The purchased water adjustment factor of \$0.14 per 1,000 gallons is approved.

2. Reid Village's proposed rates, as set forth in Appendix B to this Order, are approved for services rendered on and after July 1, 2016.

3. Within 20 days of the date of this Order, Reid Village shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:


Acting Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2016-00208 DATED **JUL 08 2016**

	New Rate	Base Rate
Mt. Sterling		
Purchases in gallons	67,380,620	67,380,620
Volumetric rate	<u>\$2.96/1,000</u>	<u>\$2.85/1,000</u>
	\$199,446.64	\$192,034.77
	Increased water cost	\$7,411.87

Increased water cost	\$ 7,411.87
Divided by gallons sold/1,000	<u>54,450,672</u>
Purchased water adjustment factor	\$ 0.1361
	or \$ 0.14 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2016-00208 DATED **JUL 0 8 2016**

The following rates and charges are prescribed for the customers in the area served by Reid Village Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	2,000 Gallons	\$25.37 Minimum Bill
Next	1,000 Gallons	8.49 per 1,000 Gallons
Next	2,000 Gallons	7.90 per 1,000 Gallons
Next	5,000 Gallons	7.29 per 1,000 Gallons
Over	10,000 Gallons	6.67 per 1,000 Gallons

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